Secrtt. II-27—58,004—27-10-47.

(1948) Department.

SERIES

G.O. NO. 3870

Dated -22-7-48

[Despatch Abstract.]

Foodstuffs - Sericulture - GSP
Collegal - Sale of silk - Revision of
rates - Proposal of the DTC - Kalipa

Industries and Commerce Department

From

Sri. P. Govinda Menon, B.E.,
Joint Director of Industries and
Commerce, Madras.

To

Secretary to Government,
Development Department,
Madras.

No.6107/D1/47 dated 7th July 48.

75917

Sir,

Sub: Industries - Sericulture - Government Silk Filature Kollegal - Sale of Silk - Revision of rates.

Ref: This office letter No.I.J.S/48 dated. -

While suggesting the acceptance of the revised rates proposed by the Mysore Government for the sale of Japanese silk in the reference cited above, I indicated that it would be necessary to reduce the rates in the case of the Government Silk Filature silk also and that the matter will be taken up separately with Government. I have since examined the position and I find that it would be very desirable to fall back to the rates we had before the recent increase in rates suggested in my letter of even No. dated 7-5-48 was made, with the only difference that they will be modified to the extent necessary to include the sales tax also. The rates to be brought into effect are given below:

Denier of silk.	Rates approved in G.O.669 dated 11-2-48 and in force before the recent increase was made.		Rates to be brought into effect now inclusive of sales tax.	
	Ordinary	Re-reedled	Ordinary	Re-reeled.
24/28	26-12-0	28-12-0	27-4-0	29-4-0
20/22	28- 0-0	30- 0-0	28-8-0	30-8-0
13/15	29-12-0	31-12-0	30-4-0	32-4-0
9/11	30-12-0	32-12-0	31-4-0	33-4-0

The above revision in the rates ensures a difference of about Rs.1-0-0 to Rs.2/- compared to the rates fixed for the Japanese silk and this will prove to be an advantage in the sales of the Government Silk Filature silk.

As reported in my letter under reference, the condition of the silk market has become very bad with Italian silk selling at rates around Rs.20/- a lb and unless the Government of India take quick action in the matter of stopping imports of foreign silk and issue a communique to allay the fears of the trade as requested in this office letter No.I.J.S/48 dated 27/5/48, it will not be possible to sell any silk at all. If Government of India take quick action, market may be expected to improve enabling our stocks to be liquidated.

As it is desirable to give effect to the revised rates now proposed, I am in anticipation of Government approval authorising the Sericultural Expert adopt them with immediate effect and communicate to the prospective buyers. I request approval of my action.

For Joint Director of Industries and Commerce

M.P.8/7.

Dev. Deptt.

Industries - Sericulture - G.S.F., Kollegal - Sale of silk - Revision of rates - Proposal of the D.I. & C. Ratified.

G.O.No.1827 Ms. Dev. dated 6-5-46.
G.O.No.669 Ms. Dev. dated 11-2-48.
From the Jt. D.I.& C.No.6107-D.I/47 dated 7-7-48.

...

ORDER NO. 3890 MS. DEV. DATED 12-7-48

H.E. the Governor of Madras ratifies the action of the D.I.& C. in having arranged to sell the silk produced at the G.S.F., Kollegal at the followir rates.

Quality of silk.	Rate per lb. of ordinary silk.	Rate for lb. of rereeled silk.
24/28.	27--4--0	29--4--0
20/22.	28--8--0	30--8--0
13/15.	30--4--0	32--4--0
9/11.	31--4--0	33--4--0

The D.I.& C. is requested to see that the

p.t.o.

profits in respect of the sale of silk do not go down below 6¼%.

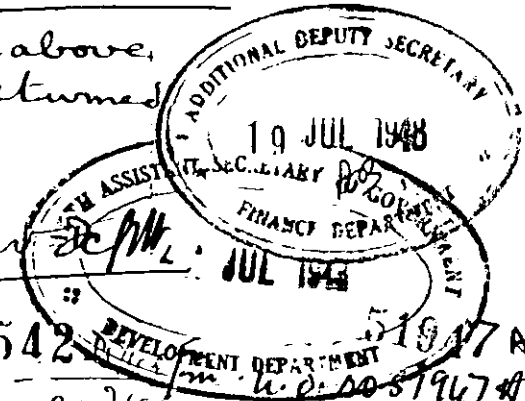
To The D.I. & C.
" A.G. thro' Fin.
Copy to S.F.

Note Please see the letter in the ref. Subject & also a draft order is submitted above for approval. Fin Deptt may see for acceptance

Fin no no 75917-Fin/48-1 dt 17-7-48

Finance (Accts)

The draft order on pages 1-2 above, may be accepted and the case returned to Dept.



The draft order may now issue

INDUSTRIES & COMMERCE DEPARTMENT.

From
The Director of Industries and Commerce, Chepauk, Madras.

To
The Secretary to Government, Development Department, Fort St. George, Madras.

****

No. D 1-6101/47, dated 2nd Aug. '48

Sub. Industries - Sericulture - Government Silk Filatures, Kollegal - Sale of silk - Revision of rates - Proposals - Sanct

In their above order, Government have instructed me to see that the profits in respect of sale of silk do not go down below 6¼%.

In this connection I have already impressed Government in my letter No. 6995 D/45, dated 25th May, 1948, that a return of 6¼% profit in the sales of silk cannot be guaranteed. The rates are fixed with reference to the market conditions and not with reference to cost of production and the over-all picture can be judged only at the close of the financial year when proforma accounts are prepared. Under the circumstances, I request that Government may not stress the question of 6¼% profit on the sale of filature silk. Every effort will however be made to sell the silk to the best advan

for Joint Director of Industries
ommerce

DEV DEPT

To A.S

The above notes on plaint submitted for perusal. Action in this connection invited-I G. pp 9-10 ex and pp 5-6 N.P. of ~~G.O. 3890 Ms dtd~~ G.O. 4121 Ms dtd 21-8-48 at (F) "o specific action seems called for in the matter. May be lodged and added to G.O. 3890 Ms dtd 22-7-48 (J) after perusal by the Dept

Dy Secy

Dy Secy (Dept)

Fin (Accts) Dy No 345 Dt 21-8-48

DEV DEPT

To A.S.

May be lodged and added to G.O. ~~4121 dtd 21-8-48~~ 3890 dtd 22-7-48. (J)

8959

Fin No W 77932

~~G.O. 110 dtd 5-8~~